Statement by Honeywell International Inc. in support of H.R. 5696 (introduced by Mr. Paulsen of Minnesota)

June 22, 2012

Purpose of the legislation

To suspend until 12/31/2015 the duty on certain cathode-ray tubes currently entering the United States under HTS# 8540.40.10, and previously entering under HTS# 9902.85.41

Description of the proponent

Honeywell (www.honeywell.com) is a U.S.\$38-billion Fortune 100 diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; turbochargers; and specialty materials. Based in Morris Township, N.J., Honeywell's shares are traded on the New York, London, and Chicago Stock Exchanges. For more news and information on Honeywell, please visit www.honeywellnow.com.

Description of the product and its uses

The products subject to this legislation are cathode-ray data/graphic display tubes, color, with a phosphor dot screen pitch smaller than 0.4 mm, and with a less than 90-degree deflection. These cathode-ray tubes are used in radio and radar monitoring units in the cockpits of aircraft.

Statement on the absence of U.S. manufacturing of the subject product

There continues to be no known U.S. manufacture of the color cathode-ray tubes currently being imported for use in civil aircraft and that are subject to Representative Paulsen's legislation. There are no other cathode-ray tubes that can be substituted, in the same end-use applications, for the product subject to this legislation.

This was the case when this product was originally proposed and approved for suspension of duty in the 106th Congress (1999-2000), and when legislation to renew the temporary suspension of duty on this product was proposed and enacted (as part of HR 1047, which became PL 108-429) during the 107th and 108th Congresses (2001-2004). The existing suspension of duty on this product was again renewed, following the review and approval of several Executive Branch agencies and Congress, in the 109th Congress (as part of HR 6111, which was signed by the President on December 20, 2006 and became Public Law 109-432). The previous nine-year-long

suspension of duty on this product expired 12/31/2009 because legislation to renew it was not introduced in the 111th Congress.

A similar cathode-ray tube (enters the United States under HTS# 9902.85.42) was also first granted suspension of duty treatment in 2000, and has been successfully renewed and remained in place ever since. Legislation is pending (HR 5695 by Representative Paulsen of Minnesota) to extend until 12/31/2015 the duty suspension on the type of cathode-ray tube entering under 9902.85.42.

Rationale for support of H.R. 5696

Honeywell supports reinstatement of the previous nine-year-long (2000-2009) suspension of duty on this product since this particular product is not manufactured in the United States. As there is no American industry to protect, and additional US economic value is generated when this product is incorporated into further process steps performed at plants in the United States, it is neither necessary nor desirable for the United States to maintain a protective import tariff on this product.